

Article - Public Utilities

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§10–406.

(a) (1) In this section the following words have the meanings indicated.

(2) “Assessment” means a charge imposed by a local jurisdiction on each transportation network service that includes a passenger trip during transportation network coverage period three as described in § 10–101(n)(1)(iii) of this title.

(3) “Exempt jurisdiction” means a county or municipal corporation that imposed a tax, fee, or charge on for–hire transportation services provided on a per ride or per passenger basis in that county or municipal corporation on or before January 1, 2015.

(b) (1) Except as provided in paragraph (2) of this subsection, this section does not limit the authority of an exempt jurisdiction to impose an assessment, a tax, a fee, or a charge on for–hire transportation services, including transportation network services.

(2) An exempt jurisdiction may not impose more than one assessment or similar charge on a transportation network service.

(c) (1) In accordance with subsections (d) and (e) of this section, a county or municipal corporation may impose an assessment under this section.

(2) Except in an exempt jurisdiction, an assessment by a county or municipal corporation authorized by this section may not exceed 25 cents per trip.

(3) (i) Except as provided in subsection (e)(5) of this section, an assessment may not be imposed on a transportation network service by both a county and a municipal corporation.

(ii) If both a county and a municipal corporation impose an assessment on a transportation network service in accordance with subsection (e)(5) of this section, the sum of the assessments imposed by both jurisdictions may not exceed 25 cents per trip.

(4) The revenue generated from an assessment authorized under this section shall be used for transportation purposes.

(d) (1) This subsection applies to a county or municipal corporation that licensed or regulated taxicab services on or before January 1, 2015, either directly or through the Commission as provided in § 10–202 of this title.

(2) (i) A county, in accordance with subparagraph (ii) of this paragraph, or a municipal corporation may impose an assessment on trips that originate in the county or municipal corporation.

(ii) A county authorized to impose an assessment under this subsection:

1. may impose an assessment on trips that originate in any area of the county; but

2. may not impose an assessment in a municipal corporation that is authorized to impose an assessment under this subsection.

(3) If a county or municipal corporation authorized to impose an assessment under this subsection has not authorized an assessment on trips that originate in the county or municipal corporation by July 1, 2016, the county or municipal corporation is subject to subsection (e) of this section.

(4) (i) If a county authorized to impose an assessment under this subsection plans to impose an assessment under this section, the county shall notify the municipal corporations in the county of the county's intent to impose an assessment.

(ii) If a municipal corporation authorized to impose an assessment under this subsection plans to impose an assessment under this section, the municipal corporation shall notify the county of the municipal corporation's intent to impose an assessment.

(e) (1) This subsection applies to a county or municipal corporation that:

(i) is not authorized to impose an assessment under subsection (d) of this section; or

(ii) 1. is authorized to impose an assessment under subsection (d) of this section; but

2. has not authorized an assessment by July 1, 2016.

(2) In accordance with paragraph (3) of this subsection and subsections (f) and (g) of this section, a county or municipal corporation may impose an assessment on trips that originate in the county or municipal corporation.

(3) (i) Except as provided under subparagraph (ii) of this paragraph:

1. a municipal corporation has priority over the county where the municipal corporation is located to impose an assessment on trips that originate in the municipal corporation; and

2. the county may not impose an assessment on trips that originate in the municipal corporation.

(ii) A county has priority over a municipal corporation to impose an assessment on trips that originate in the municipal corporation, and the municipal corporation may not impose an assessment on trips that originate in the municipal corporation, if:

1. the county has authorized an assessment on trips that originate in the county under subsection (d) of this section by July 1, 2016; and

2. the municipal corporation is not authorized to impose an assessment on trips that originate in the municipal corporation under subsection (d) of this section.

(iii) A municipal corporation that is not authorized to impose an assessment on trips that originate in the municipal corporation under subsection (d) of this section and that is located in a county that is authorized to impose an assessment on trips that originate in the county under subsection (d) of this section may impose an assessment on trips that originate in the municipal corporation under this subsection after July 1, 2016, if the county has not authorized an assessment on trips that originate in the county by July 1, 2016.

(4) (i) Before a county may impose an assessment on trips that originate in a municipal corporation under this subsection, the county shall:

1. notify the municipal corporation of the county's intent to impose an assessment on transportation network services that originate in the municipal corporation; and

2. provide the municipal corporation reasonable time to pass an ordinance authorizing the imposition of an assessment.

(ii) Before a municipal corporation may impose an assessment on trips that originate in the municipal corporation under this subsection, the municipal corporation shall:

1. notify the county of the municipal corporation's intent to impose an assessment; and

2. if the county imposes an assessment, provide the county reasonable time to notify the Comptroller before the municipal corporation's assessment becomes effective.

(5) (i) Notwithstanding paragraph (4) of this subsection and subject to subparagraph (iii) of this paragraph, both a county and a municipal corporation authorized to impose an assessment under this subsection may impose an assessment on a transportation network service if the county and the municipal corporation enter into an agreement:

1. to share revenues; and

2. that specifies the allocation of the revenues.

(ii) A county and a municipal corporation that enter into an agreement under this paragraph to impose an assessment on a transportation network service by both jurisdictions shall provide a copy of the agreement to the Comptroller.

(iii) If both a county and a municipal corporation impose an assessment on a transportation network service under this paragraph, the sum of the assessments imposed by both jurisdictions may not exceed the amount under subsection (c)(3)(ii) of this section.

(f) (1) At least 120 days before an assessment is to take effect, a county or municipal corporation that intends to impose an assessment shall notify the Comptroller:

(i) of the amount of the assessment;

(ii) of the effective date of the assessment; and

(iii) that the notice required under subsection (e)(4) of this section was provided to the county or municipal corporation.

(2) A county or municipal corporation that imposes an assessment shall notify the Comptroller at least 120 days before any change in an assessment is to take effect:

(i) of the amount of the new assessment;

(ii) of the effective date of the new assessment; and

(iii) that the notice required under subsection (e)(4) of this section was provided to the county or municipal corporation.

(g) (1) This subsection governs the collection, remittance, accounting, and use of revenues from assessments imposed by a county or municipal corporation under this section.

(2) A transportation network company shall:

(i) collect assessments on behalf of an operator who accepts a request for a ride made through the transportation network company's digital network;

(ii) collect any assessment, fee, charge, or tax imposed by an exempt jurisdiction on a transportation network service; and

(iii) submit to the Comptroller no later than 30 days after the end of a calendar quarter, or as otherwise specified by the Comptroller in regulations:

1. the assessments and other revenues collected by the transportation network company on behalf of the transportation network operators;

2. the allocation of the assessments and other revenues attributable to each county or municipal corporation that has imposed an assessment based on where the trip originated; and

3. under oath, a certification that it has submitted the correct amount of assessments and revenues.

(3) (i) Subject to subparagraph (ii) of this paragraph, from the assessments and revenues imposed by counties and municipal corporations, the Comptroller shall distribute each quarter the amount necessary to administer the assessments to an administrative cost account.

(ii) The amount distributed to the administrative cost account may not exceed 5% of the revenue from the assessments and other revenue.

(4) After making the distribution required by paragraph (3) of this subsection, within 45 days of the end of each calendar quarter, the Comptroller shall distribute the remaining revenue to:

(i) the county or municipal corporation that is the source of the revenue; or

(ii) at the discretion of the Comptroller, the county that is the source of the revenue for the county to distribute to the source of revenue in the county or municipal corporation.

(5) The Commission shall disclose:

(i) on the request of the Comptroller, records or information that relate to the collection, remittance, accounting of revenues from assessments, or the enforcement of the obligations under this section that are:

1. provided to the Commission under this subtitle; or

2. created, issued, or maintained by the Commission in the course of administering this subtitle; and

(ii) records or information required by court order or order of the Maryland Tax Court.

(6) (i) 1. The Comptroller may review or inspect each year, at a transportation network company's place of business or a mutually agreed location, records necessary to ensure that the transportation network company has remitted to the Comptroller the correct revenues and allocations.

2. Nothing in this subparagraph is intended to limit the period covered by the Comptroller's review or inspection, which may include more than 1 year.

(ii) Records or information provided to the Comptroller by a transportation network company under this subsection are not subject to release under the Maryland Public Information Act.

(iii) The Comptroller may not disclose records or information provided by a transportation network company unless the disclosure is required by court order or order of the Maryland Tax Court.

(iv) On notice that a person is seeking records or information under subparagraph (iii) of this paragraph, the Comptroller shall promptly notify the transportation network company before disclosing the information.

(v) The Comptroller may disclose records or information provided by the Commission or a transportation network company to:

1. the Maryland Tax Court;
2. a legal representative of the State, to review the assessment information about a transportation network company:
 - A. that applies for review under Title 13 under the Tax – General Article;
 - B. that appeals from a determination under Title 13 of the Tax – General Article; or
 - C. against which an action to recover an assessment, an interest, or a penalty is pending or will be initiated under Title 13 of the Tax – General Article; or
3. any license-issuing authority of the State required by State law to verify through the Comptroller that:
 - A. an applicant has paid all undisputed taxes and unemployment insurance contributions payable to the Comptroller or the Secretary of Labor, Licensing, and Regulation; or
 - B. the applicant has provided for payment in a manner satisfactory to the unit responsible for collection.

(vi) 1. Records or information disclosed under subparagraph (v)2 or 3 of this paragraph are not subject to release under the Maryland Public Information Act.

2. A person that receives records or information under subparagraph (v)2 or 3 of this paragraph may not disclose the records or information unless the disclosure is required by court order or order of the Maryland Tax Court.

3. On notice that a third party is seeking records or information under subparagraph 2 of this subparagraph, the person that receives records or information under subparagraph (v)2 or 3 of this paragraph shall promptly notify the transportation network company before disclosing the information.

(7) (i) Except to the extent of any inconsistency with this section, the provisions of Title 13 of the Tax – General Article that apply to the sales and use tax shall govern the administration, collection, enforcement, and appeals of the revenues from assessments under this section.

(ii) The limitations governing the sales and use tax under § 13–1102 of the Tax – General Article apply to the assessments imposed under this section.

(8) The Comptroller may adopt regulations or other requirements or procedures to carry out the provisions of this section, including requirements and procedures regarding the administration, collection, and enforcement of the assessment.

(h) The Comptroller shall enforce this section and § 10–407 of this subtitle.

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